

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2016-313-C

IN RE:	Application of Airbus DS) Communications, Incorporated) for a Certificate of Public) Convenience and Necessity to) Provide Facilities-Based Local) Exchange Service in the State) South Carolina) _____)	DIRECT TESTIMONY OF LARRY SHORT
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1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is Larry Short. My business address is 42505 Rio Nedo, Temecula, CA
3 92590.

4 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

5 A. I am employed by Airbus DS Communications, Inc. (“Airbus” or the “Company”)
6 and I hold the position of Vice President Services, Next Generation and Network. I am
7 currently responsible for the implementation of Airbus DS Communications NG9-1-1
8 solutions and supporting services.

9 **Q. PLEASE DESCRIBE YOUR EDUCATION AND BUSINESS BACKGROUND.**

10 A. I have 36 years of experience in the telecommunications industry. Prior to my
11 position as Vice President at Airbus, I held the position of Sr. Director Solutions
12 Engineering responsible for the engineering and design teams who implement 9-1-1
13 technology for the Public Safety Answering Points (“PSAPs”). Prior to Airbus, I held the
14 position of Vice President Programs and Customer Care for Cassidian Communications
15 where I was responsible for managing all 9-1-1 customer support and implementation

1 services. Prior to Cassidian Communications, I held the position of Vice President Business
2 Development for microDATA where I was responsible for customer relations and business
3 development for the continuing evolution of 9-1-1 services. From 1983 through 2011, I
4 held various positions at AT&T (formerly, SBC and Southwestern Bell Telephone)
5 beginning as a Systems Technician of Special Services responsible for installation and
6 maintenance of 9-1-1 Systems. After working as a Systems Technician, continual
7 promotions allowed me to serve in numerous capacities, including management positions
8 in 9-1-1 sales, 9-1-1 analysis, central office operations, and planning and development of
9 9-1-1 systems across multiple states. Throughout my career I have attended specialized
10 training courses involving all capacities of 9-1-1 service; Network Data Link Labs and
11 Protocols, Fiber Optics 112. FLM 150/600 Ring Applications, 260 Principals of Digital
12 Transmission, 262 Digital Circuit Technology, 270 Principals of Digital Cross Connect
13 Systems, 315 Print Reading and Trouble Analysis, 741 Basic Power Maintenance, 9-1-1
14 MAARS, FLM 2400 Fujitsu, and numerous Central Office and Call Distribution course
15 seminars.

16 **Q. HAVE YOU PREVIOUSLY APPEARED BEFORE THE PUBLIC SERVICE**
17 **COMMISSION OF SOUTH CAROLINA (“COMMISSION”)?**

18 A. No. This is my first opportunity to appear before the Commission.

19 **Q. PLEASE DESCRIBE THE PURPOSE OF YOUR TESTIMONY?**

20 A. The purpose of my testimony is to present evidence describing the technical,
21 managerial, and financial fitness of Airbus DS Communications, Inc. to provide facilities-
22 based local exchange services in South Carolina. My testimony will also describe the
23 services proposed by Airbus. I will show that the public interest will be served in support

1 of approval of the application of Airbus DS Communications, Inc. for a certificate of public
2 convenience and necessity.

3 **Q. DO YOU WISH TO INCORPORATE BY REFERENCE ANY DOCUMENTS INTO**
4 **YOUR TESTIMONY?**

5 A. Yes. I wish to incorporate by reference the underlying Application filed in this
6 proceeding and its associated attachments. All of the statements and exhibits in the
7 application are correct and true to the best of my knowledge.

8 **Q. PLEASE EXPLAIN THE COMPANY'S CORPORATE STRUCTURE.**

9 A. Airbus DS Communications, Inc. is a privately owned C corporation organized
10 under the laws of the state of California. The Company's principal stockholder is Plant
11 Holdings, Inc.

12 **Q. IS THE COMPANY REGISTERED TO DO BUSINESS IN SOUTH CAROLINA?**

13 A. Yes. As reflected in Exhibit A to the Application, the South Carolina Secretary of
14 State issued Airbus a certificate of authority to transact business in the state on November
15 21, 2013.

16 **Q. HAS AIRBUS RECEIVED CERTIFICATION IN ANY STATES?**

17 A. Yes. Currently, Airbus has received certification in Florida, Pennsylvania, Texas,
18 Maryland, Virginia, and North Carolina.

19 **Q. DOES AIRBUS HAVE ANY PENDING APPLICATIONS AT THIS TIME?**

20 A. Yes. Airbus has pending applications in California, New Jersey, New York, and
21 our application here, in South Carolina.

22 **Q. HAS THE COMPANY EVER HAD AN APPLICATION FOR CERTIFICATE OF**
23 **PUBLIC CONVENIENCE OR NECESSITY DENIED?**

1 A. The Company is proud to state that it has not been denied a certificate by any of the
2 state regulatory commissions in which it has applied.

3 **Q. HAS THE COMPANY EVER BEEN THE SUBJECT OF AN INVESTIGATION BY**
4 **ANY STATE REGULATORY BODY OR BY THE FCC?**

5 A. No, it has not.

6 **Q. PLEASE DESCRIBE THE SERVICES THE COMPANY PROPOSES TO OFFER**
7 **IN THE STATE OF SOUTH CAROLINA.**

8 A. As stated in our application, Airbus proposes to offer 9-1-1 emergency services to
9 government and quasi-government PSAPs. In order to meet the needs of the PSAPs, Airbus
10 may provide other local exchange telecommunications services and interexchange
11 telecommunications services. These additional services may include business resold and
12 facilities-based local, inter-interexchange, wholesale or carrier-to-carrier Next Generation
13 9-1-1 services, including data, voice, and/or wireless services as deemed necessary and in
14 support of Next Generation 9-1-1 service. Airbus does not intend to provide residential
15 telecommunications service.

16 **Q. WHERE IN SOUTH CAROLINA DOES AIRBUS INTEND TO OFFER ITS**
17 **SERVICES?**

18 A. Airbus intends to offer its intrastate services within the entire State of South
19 Carolina to government and quasi-government PSAPS who recognize the critical need for
20 transforming and migrating their 9-1-1 emergency call centers to a Next Generation 9-1-1
21 system.

22 **Q. CAN YOU FURTHER EXPLAIN THE 9-1-1 EMERGENCY SERVICES THAT**
23 **AIRBUS INTENDS TO OFFER?**

1 A. Certainly. Airbus intends to offer “niche” services specifically for 9-1-1 Emergency
2 PSAPs. Airbus currently intends to offer Internet Protocol (IP) based 9-1-1 call routing,
3 database services, database management, and network services to promote advancement
4 and migration of the PSAP networks to the Next Generation 9-1-1 architecture.

5 **Q. CAN YOU EXPLAIN NEXT GENERATION 9-1-1?**

6 A. Yes. Next Generation 9-1-1 (NG9-1-1) will enhance emergency number services
7 to create a faster, more resilient system that allows digital information (e.g., voice, photos,
8 videos, text messages) to flow seamlessly from the public, through the 9-1-1 network and
9 eventually, directly to first responders. It will also enable 9-1-1 call centers to transfer 9-1-1
10 calls to other call centers, and help them deal with call overload, disasters, and day-to-day
11 transfer of 9-1-1 calls to other jurisdictions.

12 **Q. WHAT WILL HAPPEN TO EXISTING EMERGENCY 9-1-1 NETWORKS?**

13 A. To ensure a seamless transition of existing legacy emergency 9-1-1 networks to
14 NG9-1-1, a phased approach is recommended. The transition involves more than new
15 hardware and software and must be a coordinated effort amongst the involved parties while
16 continuing to support legacy wireline and wireless call types of existing emergency 9-1-1
17 networks.

18 **Q. DOES AIRBUS OWN ANY NETWORK SWITCHES OR TRANSMISSION**
19 **FACILITIES THAT ARE TO BE USED FOR CALL ROUTING?**

20 A. Currently, no. Upon certification, Airbus does intend to own its IP selective routers
21 to be used for routing 9-1-1 emergency calls. The transmission facilities to be provided by
22 Airbus intend to include private IP networks and/or unbundled network elements (UNEs)
23 to the extent necessary to offer and provide service.

1 **Q. HOW DOES AIRBUS PLAN TO OFFER ITS SERVICES TO CUSTOMERS?**

2 A. Airbus will work with our existing customers who currently use our phone systems
3 (Customer Provided Equipment) today and we will also respond to new customers who need
4 to advance their existing legacy networks to NG9-1-1. Approval of our application will
5 allow Airbus to market its new services through use of our direct sales staff.

6 **Q. HOW WILL SOUTH CAROLINA CUSTOMERS BENEFIT FROM AIRBUS**
7 **SERVICES?**

8 A. The Commission's grant of this certificate is in the public interest because PSAP
9 customers of Airbus's telecommunications services will receive increased choice,
10 improved quality of service, and heightened opportunities to obtain improved and updated
11 technologies (e.g.: NG9-1-1). Additionally, end-user customers of other Local Exchange
12 Carriers who need to reach 9-1-1 PSAPs will also benefit from the migration of the PSAPs
13 9-1-1 Emergency Networks to an Airbus solution. Consistent with the Commission's intent
14 to promote a competitive telecommunication environment in South Carolina, the granting
15 of a certificate of authority for Airbus to provide intrastate services will offer increased
16 efficiency and greater reliability, diversity, and redundancy of emergency 9-1-1 services
17 and an increase in competitive choices.

18 **Q. DESCRIBE THE FINANCIAL ABILITY OF AIRBUS TO OPERATE AS A**
19 **TELECOMMUNICATION SERVICE PROVIDER.**

20 A. Airbus has sufficient financial resources to provide the requested telecommunication
21 services in South Carolina, and the financial capability to maintain these services. Airbus has
22 provided its financial statements as Exhibit C of its filed application, which statements have
23 been afforded confidential protection by the Commission.

1 **Q. IS AIRBUS CAPABLE OF DELIVING ITS PROPOSED SERVICES IN SOUTH**
2 **CAROLINA?**

3 A. Yes. In addition to having sufficient financial resources, the senior management
4 team of Airbus has a strong background in telecommunications as demonstrated by the
5 biographies included as Exhibit D to the Company's application.

6 **Q. HOW ARE TROUBLE REPORTS OR REPAIR CONCERNS HANDLED?**

7 A. Airbus will provide a toll free customer service telephone number that will be
8 available twenty-four (24) hours per day, seven (7) days per week. The toll free number
9 for customer inquiries and repair is 1-844-291-6988. Customers may also contact the
10 company in writing with any concerns at our headquarters address located at 42505 Rio
11 Nedo, Temecula, CA 92590.

12 **Q. HOW ARE BILLING QUESTIONS AND COMPLAINTS BE HANDLED?**

13 A. Airbus customers can call 1-844-291-6988 to reach customer service. Customers
14 may also contact the Company via mail at our headquarters location or by initiating
15 customer service inquiry through our Airbus website at www.airbus-dscomm.com.

16 **Q. WILL AIRBUS PROVIDE OPERATOR SERVICES?**

17 A. No. Currently, Airbus does not intend to offer basic local exchange (dial tone)
18 service nor operator services. Airbus will provide advance notification to the Commission
19 if the Company were to later determine the need to provide such services.

20 **Q. DESCRIBE THE AIRBUS PROPOSED SOUTH CAROLINA TARIFF.**

21 A. Airbus has included its proposed, illustrative tariff, which contains the rules,
22 regulations, and rates for its intrastate services as Exhibit E of the Application. We will

1 work with the S.C. Office of Regulatory Staff to address any questions and/or revisions to
2 the tariffs that may be requested.

3 **Q. DID AIRBUS REQUEST FLEXIBLE REGULATORY TREATMENT FOR ITS**
4 **LOCAL EXCHANGE SERVICES?**

5 A. Yes. The Company will be a non-dominant, competitive provider of local exchange
6 telecommunication services. Therefore, Airbus requests that the Commission regulate it
7 in the same fashion authorized in Order No. 98-165 in Docket No. 97-467-C and extended
8 to other similarly situated carriers. Airbus understands that its intrastate tariff filings would
9 be presumed valid once they are filed subject to the Commission's right to investigate the
10 filing within thirty days.

11 **Q. IS AIRBUS REQUESTING ALTERNATIVE REGULATION OF LONG DISTANCE**
12 **BUSINESS SERVICE OFFERINGS?**

13 A. Yes. Although Airbus does not initially intend to provide long distance business
14 services, if Airbus provides these offerings in the future, Airbus does request that long
15 distance business service, be regulated in the same fashion as other similarly situated
16 carriers.

17 **Q. DID AIRBUS REQUEST ANY WAIVERS IN ITS APPLICATION?**

18 A. Yes. Airbus requested waivers from any requirement that our financial records be
19 maintained in conformance with the Uniform System of Accounts (USOA). We currently
20 maintain our books and records in accordance with GAAP, and therefore do not possess the
21 detailed cost data required by USOA. In addition, we requested a waiver of S.C. Reg. 103-
22 610's requirement that our books be kept in South Carolina. Our records are currently
23 maintained at Airbus headquarters located at 42505 Rio Nedo, Temecula, CA, 92590. In

1 the event that the Commission finds it necessary to review Applicant's books, this
2 information will be provided upon request to the Commission or Applicant will bear the
3 travel expense for the Commission staff to examine the books and records located outside
4 of South Carolina. Airbus also requested exemption from the requirement that we publish
5 a local directory as Airbus intends to offer "niche" services, which does not include local
6 dial tone services.

7 **Q. DID AIRBUS REQUEST ANY OTHER WAIVERS IN ITS APPLICATION?**

8 A. Yes. Airbus requested that the Commission waive any reporting requirements which
9 are not applicable to competitive providers such as Applicant because such requirements (a)
10 are not consistent with demands of the competitive market; or (b) they constitute an undue
11 burden on a competitive provider, thereby requiring an ineffective allocation of resources.
12 At ORS's request, Airbus is withdrawing this request.

13 **Q. WILL THE SERVICES YOUR COMPANY INTENDS TO PROVIDE MEET THE**
14 **SERVICE STANDARDS OF THE PUBLIC SERVICE COMMISSION OF SOUTH**
15 **CAROLINA?**

16 A. Yes. Airbus will meet the service standards of the Public Service Commission of
17 South Carolina and agrees to abide by and comply with the Commission's rules,
18 regulations, and orders governing its operations in South Carolina.

19 **Q. WILL GRANTING YOUR APPLICATION ADVERSELY IMPACT THE**
20 **AVAILABILITY OF AFFORDABLE LOCAL EXCHANGE SERVICE?**

21 A. No, it will not.

22 **Q. WILL AIRBUS SUPPORT UNIVERSALLY AVAILABLE TELEPHONE**
23 **SERVICE AT AFFORDABLE RATES AS REQUIRED BY THE COMMISSION?**

1 A. Yes, if such services are provided by Airbus.

2 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

3 A. Yes.